

GOVERNMENT OF ANDHRA PRADESH

ABSTRACT

Handloom Industry - National Co-operative Development Corporation - Sanction of an amount of Rs.37.00 lakhs (comprising of Rs.29.60 lakhs as loan and Rs.7.40 lakhs as subsidy) towards Margin Money Assistance from National Co-operative Development Corporation (N.C.D.C.), New Delhi to The Velidendla Handloom Weavers Co-operative Production and Sales Society Limited, Simhadripuram, Kadapa District - Orders - Issued.

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INDUSTRIES AND COMMERCE (TEX) DEPARTMENT

G.O.Rt.No. 707

Dated 19-11-2009

Read the following:-

1. From the Director of Handlooms and Textiles and Development Commissioner for Apparel Export Parks, Andhra Pradesh Hyderabad, letter Rc.No. 13243/2007-K2, dt.31.07.2008
2. Government Lr.No.18346/Tex.2/2007-4, dated 21-01-2009.
3. From the Managing Director, NCDC (Handloom Division), New Delhi, Ir.No. NCDC 4-2/2009-Text (HLM)/85(S09061), dated 23-07-2009.
4. From the President, The Velidendla Handloom Weavers Co-operative Production and Sales Society Ltd., Simhadripuram, Kadapa District, representation, dated 10-08-2009.
5. From the Director of Handlooms and Textiles and Development Commissioner for Apparel Export Parks, Andhra Pradesh Hyderabad, letter Rc.No.6912/09- K2, dt: 11-08-2009
6. G.O.Rt.No. 3490, Finance (Exp.I&C) Department, dt.25-09-2009.
7. G.Ort.No.Rt.No.3949,Fin.(Expr.I&C) Department. dt:04-11-2009.

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ORDER

In the reference 2nd read above, Government have forwarded the loan application of The Velidendla Handloom Weavers Co-operative Production and Sales Society Limited, Simhadripuram, Kadapa District for to the National Co-operative Development Corporation, New Delhi for sanction of Margin Money assistance loan of Rs.40.00 lakhs through the National Co-operative Development Corporation, New Delhi.

2. In the reference 3rd read above, the Managing Director, National Co-operative Development Corporation, New Delhi has conveyed for sanction of Rs.37.00 lakhs (Rupees thirty seven lakhs only) comprising Rs.29.60 lakhs as loan and Rs.7.40 lakhs as subsidy (subject to availability of subsidy from Government of India) to the Government of Andhra Pradesh towards Margin Money assistance to The Velidendla Handloom Weavers Co-operative Production and Sales Society Limited, Simhadripuram, Pulivendula Taluk, Kadapa District, Andhra Pradesh. The State Government shall provide NCDC's subsidy component to the society in the form of subsidy and loan portion in the form of share capital or loan. The assistance will be released by the National Co-operative Development Corporation to the State Government on reimbursement basis i.e., the State Government will first release the amount sanctioned to the said society and thereafter claim reimbursement from the Corporation.

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3. The assistance of Rs.37.00 lakhs (Rupees thirty seven lakhs only) sanctioned is subject to the conditions that the society:-

- (i) shall furnish to the Corporation such returns, statements of accounts and other information, as may be prescribed or called for by the Corporation from time to time;
- (ii) shall allow and afford facilities to the officers of the Corporation or any other person or persons nominated by it in this behalf to verify and inspect its books of accounts and other records; and
- (iii) shall make arrangements to the satisfaction of the Corporation for the appointment of suitable administrative and technical / senior personnel for the business of the society.

4. The Managing Director, National Co-operative Development Corporation, New Delhi has further stated that the period of loan to State Government will be for 5 years. There will be no moratorium on repayment of loan and payment of interest. The repayment of loan installment will commence from the 1st anniversary of the deemed date of drawal of loan along with interest.

5. The Managing Director, National Co-operative Development Corporation, New Delhi has further stated that the loan shall carry rate of interest prevailing at the time of release of funds. Existing effective rate of interest is 10.25% p.a. Effective rate of interest shall be applicable in case payment of interest is made on or before due date, normal rate of interest, which is 1% higher than effective rate shall be applicable. Further, in case of default in payment of instalment, penal interest @ 2.5% over and above the normal rate of interest shall be charged on the defaulted instalment for the period of delay. The other terms and conditions of the Corporation shall be according to NCDC Ir.No. NCDC : 1-1/84-Budt, dated 15.10.1984 and No. NCDC : 1-1/90 -Budt, dated 24.03.2009 and as amended from time to time.

6. The Corporation reserves the right to foreclose and recover the loan assistance from the State Government if :-

- (i) it is not utilised for the purpose for which it has been sanctioned;
- (ii) the society fails to furnish the returns, statements of accounts and other information as may be prescribed or called for by the Corporation from time to time; and
- (iii) any of the other conditions are not fulfilled.

7. The sanction is valid up to 31.07.2010 by which date the State Government shall provide full assistance to the Society and claim reimbursement from the National Co-operative Development Corporation.

8. In the reference 5th read above the Director of Handlooms and Textiles and Development Commissioner for Apparel Export Parks, Andhra Pradesh, Hyderabad has stated that the National Co-operative Development Corporation, New Delhi have conveyed its sanction of Rs.37.00 lakhs comprising Rs.29.60 lakhs as Loan and Rs.7.40 lakhs as subsidy (Subject to availability of subsidy) from Government of India to the Government of Andhra Pradesh towards Margin Money Assistance to The Velidendla Handloom Weavers Co-operative Production and Sales Society Limited,

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Simhadripuram, Pulivendula Taluk, Kadapa District. The National Co-operative Development Corporation, New Delhi has stipulated that the State Government shall provide the NCDC's subsidy component to the society in the form of subsidy and loan portion in the form of share capital or loan. It is also clarified that the assistance will be released by National Co-operative Development Corporation to the State Government on Reimbursement basis i.e., the State Government will first release the amount sanctioned to the said society and there after to claim reimbursement. The President of the said society has requested for release of the amount.

9. The Director of Handlooms and Textiles and Development Commissioner for Apparel Export Parks, Andhra Pradesh, Hyderabad has requested the Government for release of Rs.37.00 lakhs comprising Rs.29.60 lakhs as loan and Rs.7.40 lakhs as subsidy to The Velidendla Handloom Weavers Co-operative Production and Sales Society Limited, Simhadripuram, Pulivendula Taluk, Kadapa District, towards Margin Money Assistance under the scheme.

10. In the reference 6th read above, the Finance (Exp.I&C) Department have issued Budget Release Order for an amount of Rs.37.00 lakhs (comprising Rs.29.60 lakhs as loan and Rs.7.40 lakhs as subsidy) towards Margin Money Assistance as loan to The Velidendla Handloom Weavers Co-operative Production and Sales Society Limited, Simhadripuram, Pulivendula Taluk, Kadapa District in relaxation of treasury control orders and quarterly regulation orders, which will be released by National Co-operative Development Corporation to the State Government on reimbursement basis, during the year 2009-10.

11. After careful examination, Government have decided to sanction an amount of Rs.37.00 lakhs (Rupees Thirty Seven Lakhs only) to The Velidendla Handloom Weavers Co-operative Production and Sales Society Limited, Simhadripuram, Kadapa District as detailed below:-

(a) Rs.29.60 lakhs as loan; and

(b) Rs.7.40 lakhs as subsidy in relaxation of treasury control orders and quarterly regulations

from Budget estimates provision 2009-10 under Centrally Sponsored Scheme towards Margin Money Assistance from National Co-operative Development Corporation (N.C.D.C.), New Delhi to the State Government on reimbursement basis.

12. Accordingly Government hereby accord sanction for an amount of Rs.37.00 lakhs (Rupees Thirty Seven Lakhs only) to The Velidendla Handloom Weavers Co-operative Production and Sales Society Limited, Simhadripuram, Kadapa District as detailed below:-

(a) Rs.29.60 lakhs as loan; and

(b) Rs.7.40 lakhs as subsidy in relaxation of treasury control orders and quarterly regulations

from Budget estimates provision 2009-10 under Centrally Sponsored Scheme towards Margin Money Assistance from National Co-operative Development Corporation (N.C.D.C.), New Delhi to the State Government on reimbursement basis.

13. The expenditure sanctioned above shall be subject to the conditions stipulated by the National Co-operative Development Corporation, New Delhi.

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14. The expenditure of loan amount of Rs.29.60 lakhs (Rupees Twenty Nine Lakhs and Sixty thousands only) shall be debited to the following Head of Account:-

6860 – Loans for consumer industries
01 – Textiles –
MH-101 –Margin Money to Cooperative Spinning Mills
001 - Margin Money to Cooperative Spinning Mills

15. The expenditure of subsidy amount of Rs.7.40 lakhs (Rupees Seven Lakhs and Forty Thousands only) shall be debited to the following Head of Account:-

“2851 - Village and Small Industries
MH.103- Handloom Industries
- Schemes included in the Plan
G.H.10 - Centrally Sponsored Schemes
SH(58) – Margin Money Assistance to Co-operative Spinning Mills
310 - Grant-in-aid
312 - Other Grant-in-aid”

and shall be incurred in relaxation of treasury control orders and quarterly regulations.

16. The Assistant Secretary to Government, Finance (DMC) Department, Andhra Pradesh Secretariat, Hyderabad is authorized to draw the sanctioned loan amount of Rs.29.60 Lakhs (Rupees Twenty Nine Lakhs and Sixty thousands only) sanctioned above by way of cheque in favour of Director of Handlooms and Textiles and Development Commissioner for Apparel Export Parks, Andhra Pradesh, Hyderabad who will disburse the same to The Velidendla Handloom Weavers Co-operative Production and Sales Society Limited, Simhadripuram, Pulivendula Taluk, Kadapa District. The Director of Handlooms and Textiles and Development Commissioner for Apparel Export Parks, Andhra Pradesh, Hyderabad shall furnish the Utilisation Certificates within one month from the date of drawal of the amount to the Office of the Managing Director, National Co-operative Development Corporation (T-Series), New Delhi.

17. The Director of Handlooms and Textiles and Development Commissioner for Apparel Export Parks, Andhra Pradesh, Hyderabad / concerned Drawing Officer is authorized to draw the subsidy amount of Rs.7.40 lakhs (Rupees Seven Lakhs and Forty Thousands only) sanctioned above and disburse the same to The Velidendla Handloom Weavers Co-operative Production and Sales Society Limited, Simhadripuram, Pulivendula Taluk, Kadapa District by way of cheque under the National Co-operative Development Corporation scheme as and when necessity arises for the purpose for which it is sanctioned to the concerned society. The Director of Handlooms and Textiles and Development Commissioner for Apparel Export Parks, Andhra Pradesh, Hyderabad shall furnish the Utilization Certificates within one month from the date of drawal of the amount to the Office of the Managing Director, National Co-operative Development Corporation (T-Series), New Delhi.

18. The Director of Handlooms and Textiles and Development Commissioner for Apparel Export Parks, Andhra Pradesh, Hyderabad and Vice-Chairman and Managing Director, Andhra Pradesh State Handloom Weavers Co-operative Society Limited (APCO), Hyderabad are requested to deduct the loan instalment amount sanctioned above from the concerned society viz., The Velidendla Handloom Weavers Co-operative Production and Sales Society Limited, Simhadripuram, Pulivendula Taluk, Kadapa District and to remit the same to the State Government Account on due dates under intimation to the National Co-operative Development Corporation, New Delhi.

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19. This order issues with the concurrence of Finance (Exp.I&C) Department, vide their U.O.No.29374 / 510 /Expr.I&C/09, dated 6-11 -2009 and vide Budget Release Order in G.O.Rt.No.3490, Finance (Exp.I&C) Department, dated: 25-9-2009 read with G.O.Rt.No.3949, Finance (Exp.I&C) Department, dated 04-11-2009.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

M.VEERABHADRAIAH,
SECRETARY TO GOVERNMENT.

To
The Director of Handlooms and Textiles and Development
Commissioner for Apparel Export Parks, Andhra Pradesh, Hyderabad
The Assistant Secretary to Government,
Finance (DMC) Department, Andhra Pradesh Secretariat, Hyderabad.
The President,
The Velidendla Handloom Weavers Co-operative Production and
Sales Society Limited, Simhadripuram, Pulivendula Taluk,
Kadapa District.
The Accountant General A.P., Hyderabad.
The Pay and Accounts Officer, Hyderabad
The Director of Treasuries of Accounts, A.P., Hyderabad.
The Managing Director,
National Co-operative Development Corporation (NCDC),
4, Siri Institutional Area, Hauz Khas, New Delhi.
Copy to:
The Chief Director,
National Co-operative Development Corporation,
2nd Floor, HACA Bhavan, Opp. Public Gardens, Hyderabad.
The Finance (Exp.I&C) / (BG) Department
The Special Secretary to Chief Minister.
The P.S. to Minister for Handlooms and Textiles.
The P.S. to Secretary to Government,
Industries and Commerce Department.
The Industries and Commerce (L&B) Department.
Stock File/Spare Copies.

// FORWARDED BY: ORDER//

SECTION OFFICER.